



## Internal Revenue Service Small Business/Self-Employed Taxpayer Education and Communication

### IRS Stakeholder Partners Headliners ...and more

Special Edition for Payroll Providers

October 28, 2002

*This e-mail is being sent to you for distribution to your organization's members. If you need further assistance, please contact your local IRS Taxpayer Education and Communication (TEC) office. The number is available in IRS Publication 3698A "Small Business/Self Employed Taxpayer Education and Communication at a Glance", at [Taxpayer Education and Communication](#).*

#### **Reporting Agents**

Reporting Agents (RAs) assist business taxpayers in the accurate and timely calculation, payment and filing of payroll taxes. A RA is an accounting service, franchiser, bank, or other person who complies with Revenue Procedures 96-17.

#### **Did you know?**

The Reporting Agent authority, as determined when submitting Form 8655, does not allow RA to represent or negotiate on behalf of the taxpayer, i.e. request penalty abatements on behalf of their clients. However, they may provide information to the IRS to assist in determining whether or not reasonable cause exists. The determination can be disclosed to the RA named in the authorization because the authorization provides consent to disclose such information to the RA. Newly defined criteria allow Customer Service Representatives (CSRs) to disclose abatement determinations. The abatement need not post in order for this determination to be disclosed to the RA.

#### **How do Reporting Agents resolve a former client's account?**

Reporting Agents may encounter situations in which they need tax information from the IRS about a client they no longer represent. In these situations, the IRS recommends that you complete Form 8821, Tax Information Authorization. This will protect you and the client from unauthorized disclosures.

For more information on Form 8821, go to [The Centralized Authorization File \(CAF\) Fax Numbers and Addresses](#) located on the Tax Professionals webpage at [www.irs.gov](http://www.irs.gov). For a copy of Form 8821, click on <http://www.irs.gov/pub/irs-pdf/f8821.pdf>.

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